

CHANGES WITHOUT REGULATORY EFFECT UNDER
CALIFORNIA CODE OF REGULATIONS, TITLE 1, SECTION 100

Statement of Explanation

Title 18. Public Revenues

Regulation 1684, *Collection of Use Tax by Retailers*

A. Factual Basis

Currently, subdivision (i) of California Code of Regulations, title 18, section (Regulation) Regulation 1684, *Collection of Use Tax by Retailers*, provides that Revenue and Taxation Code (RTC) section 6203, as re-enacted by Statutes 2011, chapter 313 (hereafter, chapter 313), section 3 shall become operative on September 15, 2012, or January 1, 2013, and that the 2012 amendments to Regulation 1684 adopted to implement, interpret, and make specific RTC section 6203, as re-enacted by chapter 313, shall be operative on the same date. This is because chapter 313, section 6, subdivision (b) provides that re-enacted RTC section 6203 shall become operative on either:

- January 1, 2013, if a federal law is enacted on or before July 31, 2012, authorizing the states to require a seller to collect taxes on sales of goods to in-state purchasers without regard to the location of the seller, and the state does not, on or before September 14, 2012, elect to implement that law; or
- September 15, 2012, if such a federal law is not enacted on or before July 31, 2012.

And, chapter 313, section 6, subdivision (c), also required the Director of Finance to certify in writing whether or not such a federal law had been enacted on or before July 31, 2012.

On August 15, 2012, the Director of Finance certified that no such federal legislation was enacted by the July 31, 2012, deadline. Therefore, RTC section 6203, as re-enacted by section 3 of chapter 313 became operative on September 15, 2012, and the 2012 amendments to Regulation 1684 adopted to implement, interpret, and make specific RTC section 6203, as re-enacted by chapter 313, became operative on the same date.

As a result, the State Board of Equalization (Board) proposes to make non-substantive changes to Regulation 1684, subdivision (i), to identify September 15, 2012, as the operative date of RTC section 6203, as re-enacted by chapter 313, and the operative date of the 2012 amendments to Regulation 1684 implementing, interpreting, and making specific RTC section 6203, as re-

enacted by chapter 313, under California Code of Regulations, title 1, section (Rule) 100. The Board has determined that the proposed changes are appropriate for processing under Rule 100 because the changes do not materially alter any requirement, right, responsibility, condition, prescription or other regulatory element of any California Code of Regulations provision.

B. Proposed Changes

The following Rule 100 changes are proposed to Regulation 1684, subdivision (i):

TEXT OF PROPOSED CHANGES

1684. Collection of Use Tax by Retailers.

(a) . . . (unchanged).

(b) . . . (unchanged).

(1) . . . (unchanged).

(2) . . . (unchanged).

(3) . . . (unchanged).

(c) . . . (unchanged).

(1) . . . (unchanged):

(A) . . . (unchanged); or

(B) . . . (unchanged); or

(C) . . . (unchanged); or

(D) . . . (unchanged).

(2) . . . (unchanged):

(A) . . . (unchanged); and

(B) . . . (unchanged):

(i) . . . (unchanged); and

(ii) . . . (unchanged).

(3) . . . (unchanged):

(A) . . . (unchanged); and

(B) . . . (unchanged).

(4) . . . (unchanged):

(A) . . . (unchanged), and

(B) . . . (unchanged).

(5) . . . (unchanged):

(A) . . . (unchanged); and

(B) . . . (unchanged).

(6) . . . (unchanged).

(7) . . . (unchanged):

(A) . . . (unchanged):

(i) . . . (unchanged); and

(ii) . . . (unchanged);

(B) . . . (unchanged); and

(C) . . . (unchanged).

(8) . . . (unchanged):

(A) . . . (unchanged).

(B) . . . (unchanged).

(C) . . . (unchanged).

(D) . . . (unchanged).

(E) . . . (unchanged).

(F) . . . (unchanged).

(9) Examples:

(A) . . . (unchanged).

(B) . . . (unchanged).

(C) . . . (unchanged):

(i) . . . (unchanged); and

(ii) . . . (unchanged).

(d) . . . (unchanged).

(1) . . . (unchanged).

(2) . . . (unchanged).

(3) . . . (unchanged):

(A) . . . (unchanged);

(B) . . . (unchanged).

(e) . . . (unchanged).

(f) . . . (unchanged).

(g) . . . (unchanged).

(h) . . . (unchanged).

(i) Amendments. Statutes 2011, chapter 313 (Assem. Bill No. 155), section 3 re-enacted section 6203 of the Revenue and Taxation Code and re-enacted section 6203 became operative on September 15, 2012, in accordance with chapter 313, section 6. ~~Chapter 313, section 6, provides that the provisions of section 6203 of the Revenue and Taxation Code as re-enacted by chapter 313, section 3, shall become operative on September 15, 2012, or January 1, 2013. The 2012 amendments to this regulation adopted to implement, interpret, and make specific the provisions of section 6203 of the Revenue and Taxation Code as re-enacted by chapter 313, section 3, also became operative on September 15, 2012, shall become operative on the same date as section 6203 of the Revenue and Taxation Code as re-enacted by chapter 313, section 3. Any 2012 amendment that implements, interprets and makes specific a use tax collection obligation that did not exist on June 27, 2011, upon becoming operative, shall not have any retroactive effect.~~

Note: Authority cited: Section 7051, Revenue and Taxation Code. Reference: Sections 6203, 6204, 6226 and 7051.3, Revenue and Taxation Code; and Section 513(d)(3)(A), Internal Revenue Code (26 USC).